



Irdeto operations

Our operating performance

Irdeto services the MultiChoice Group's Video Entertainment subsidiaries and more than 400 external clients.

Revenue from the MultiChoice Group accounted for 52% of Irdeto's total revenue in FY24 (FY23: 57%), which is eliminated on group consolidation.

Irdeto grew its market share and delivered increased revenue with external customers in all three of its market segments; Video Entertainment, Gaming and Connected Transport. Business within the group reduced on a YoY basis primarily due to higher-than-usual shipment and subscriber volumes in FY23 due to the FIFA World Cup and the reduction of decoder subsidies in the linear business.

Another year of disciplined cost and financial management resulted in steady bottom-line trading profit and free cash flow results. Moreover, due to a targeted cost optimisation programme, Irdeto ensured a fit-for-purpose cost base for the future.

External video entertainment revenue in FY24 was up by 4% compared to FY23. This was due to strategic wins (such as a new managed services agreement concluded with Foxtel in Australia) as well as strong performance of existing customers particularly in the EMEA region. Irdeto has become the largest provider of managed security for video services, according to Omdia, a leading market research firm.




Our ability to lead transformation as a trusted partner to our customers has been validated by the market. This resulted in Irdeto being awarded a significant transformational project with a leading video entertainment provider in South-East Asia, contributing towards a healthy revenue pipeline for FY25.

Our business within the group reduced by 5% YoY, as MultiChoice saw reduced set-top box and subscriber volumes across the African continent after last year's strong performance due to the FIFA World Cup.

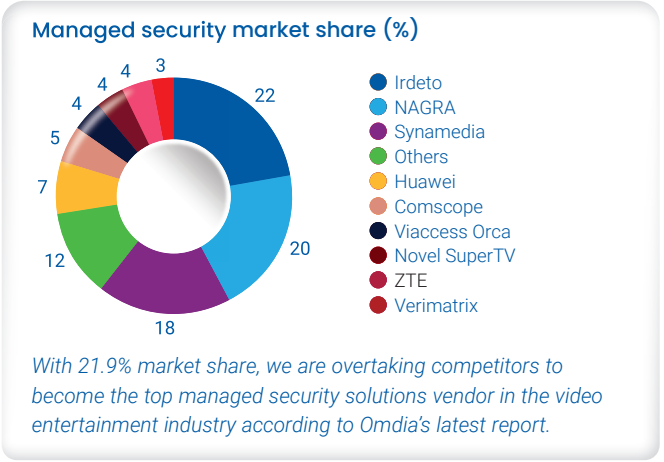
Both Gaming (12%) and Connected Transport (119%) segments grew YoY.

This reflects the market adoption of our offerings in both segments. In Gaming we diversified our portfolio with anti-cheat capability and cyber services, leveraging our core competencies. In Connected Transport, we have shipped our first keyless solutions to leading customers. These include one of the largest fleet operators in the US market, as well as leading rental companies providing construction equipment (such as Ramirent, which operates in Northern Europe).

We continue to drive our strategy based on three primary market segments:

<p>Entertainment</p>  <p>Market share growth via winning Tier 1 accounts</p>	<p>Games</p>  <p>Grow beyond DRM to support game monetization</p>	<p>Transport</p>  <p>Grow into a substantial and profitable business</p>
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Our focus is to increase market share by winning Tier-1 customers in the Video Entertainment segment. We have steadily been making progress against our market share targets over the last three years. Despite a strong in-year performance, we continue to see a challenging trend for this segment due to a decline in global pay-TV subscriptions. We expect this trend to last for several more years, although it is partially offset by a strong performance supporting new entrants providing streaming services.





Irdeto operations continued

Providing our anti-piracy solutions to protect valuable content remains critical. By leveraging our core technology, offerings and expertise we are also able to help customers achieve cost efficiencies through managed services.

Securing games and assuring a level playing field in the Video Gaming segment has increasing importance in our longer-term strategy. We are extending our portfolio by adding cyberservices capabilities, forensic watermarking and the ability to identify and take down bots, which can disrupt the in-game experience or provide an unfair advantage to some players.

Solid pipeline conversion for our keyless entry solution Keystone for automotive OEM's, fleet operators, and construction equipment rental companies has resulted in 399% YoY revenue growth.

Irdeto is a critical partner to the group and provides encryption, conditional access, and middleware solutions for MultiChoice set-top boxes and streaming services. In addition, the business helps MultiChoice monitor and combat piracy across sub-Saharan Africa, as well as contributing to the group's solutions for video-on-demand and targeted advertising. Externally, we are well positioned to maintain and grow our position in the cybersecurity market, given our differentiated offering, established brand name, long-standing market reputation and partnerships, and consistent focus on innovation. Some of our most recent innovations include:

- Video Entertainment: **Irdeto Experience**. This includes offering the most effective solution to deploy OTT and hybrid video platforms. This solution reduces the total cost of ownership, speeds up time to market, removes fragmentation, and enables business growth;
- Gaming: **Unbotify**. This solution is focused on behavioural biometric analysis for bot detection in video games using AI to determine non-standard user play as well as hardware cheats;
- Gaming: **Watermarking**. Protect game builds from leaks by overlaying an invisible watermark to the game pre-release when being shipped to distributed developers, or press and analysts as screeners. This is the industry's first solution to track down leaks to a unique user to ensure enforcement actions are taken.

Irdeto received several awards and accolades in FY24 for our solutions and teams:

- Silver in best anti-piracy solution at the Sports Pro OTT Awards
- Our Connected Transport Automotive team in China won at the China Automotive Parts Industry Award
- Corporate Stars Awards winners for Best Initiative to Strengthen Global Partnerships (Sustainability for Electric Vehicle Charging)
- Top Employer in the IT Sector for 2023/2024 in Austria by the Austrian Society of Consumer Studies for Denuvo by Irdeto
- Abby Szafranski, Product Manager for Fleet, was awarded the 2024 Top Women to Watch in Transportation from the Women in Trucking Association
- Lisa Spencer, VP of Marketing, was named Top Leader in Technology by Parks & Associates.
- Irdeto also achieved Silver Status – from among the top 10% of all companies rated – from from EcoVadis for exceptional sustainability efforts in 2023.

KingMakers

BetKing Nigeria was negatively impacted by challenging macro-economic conditions, including high inflation, the removal of the fuel subsidy, bank note circulation shortages, the weaker naira. Nonetheless, KingMakers delivered a robust performance in terms of organic growth and operational execution:

- Drove further growth in the online business in Nigeria, with monthly active online users up 37% YoY and online gross gaming revenues up 26% YoY in constant currency
- Delivered total gross gaming revenue of USD147m, down 26% YoY, with the weaker naira offsetting organic underlying revenue growth in Nigeria of 5% YoY
- Launched new products into Nigeria, notably BetKing Casino and BetKing FootballGO, a virtual football sportsbook service
- KingMakers delivered positive EBITDA of USD2m, up marginally YoY, with a net loss of USD40m also increasing YoY on the back of FX losses
- KingMakers retained a cash balance of USD113m at end December or USD108m at parallel rates

Having launched the beta site in December 2023, KingMakers fully launched the SuperSportBet business in South Africa in January 2024 with the platform seeing strong initial user uptake. With SuperPicks and the PlayBook preview show already live in South Africa, we have also pushed pre-game shows and live feed integration to leverage the SuperSport platform in driving uptake and engagement on SuperSportBet. The platform features a fully-fledged sportsbook and casino, virtual and other gaming. Watch and Play offerings have also combined video and sports betting products to customers with some initial success. User uptake has been further supported by our official betting partnership with the Kaizer Chiefs and the Orlando Pirates.

Moment

Having created the venture during FY23, Moment officially launched in FY24, playing an instrumental role in the Showmax relaunch readiness while also starting to take on MultiChoice payments volumes and integrations. Although the total payments volumes processed are not yet material, the monthly run-rate is growing quickly. In the meantime, Moment has:

- Completed partnership agreements with MultiChoice Group entities
- Secured critical licences in South Africa, with licensing underway in other core markets
- Joined real-time payment networks in 18 countries, including South Africa
- Started taking local and cross-border card payments in 44 Showmax markets
- Begun processing 30% of DStv payments in South Africa

MultiChoice, along with other founding backers, contributed to Moment's Seed+ funding round in the group's fourth quarter of FY24. Moment raised USD22m of funding, with MultiChoice contributing USD8m, and new external participants placing a post-money valuation on the business of USD82m. MultiChoice currently owns a 26% stake, on a fully diluted basis post year-end.